3 ~~533.5~~ 538.4 based on Regression -3.5%

5 520.3 based on ... 50%

6 53 assume flat ... 1988

02-Aug-89 02-Aug-89

	weighted retail price	coupon cost per pack**	retail pr w/o coupons	% chg vs. yr ago	% chg based on price elasticity	Total Industry (actual)	% chg vs. yr ago	Total Industry (cons. rate)	% chg vs. yr ago	wtd avg tax rate (T.I.)		wtd avg tax rate (MRD)	
1980	$0.63		$0.63			616,710		616,710		$0.131		$0.132	
1981	$0.67		$0.67	6.60%	-1.77%	626,476	1.58%	624,732	1.30%	$0.132	0.76%	$0.135	2.27%
1982	$0.76		$0.76	12.26%	-3.19%	622,306	-0.67%	615,250	-1.52%	$0.135	2.27%	$0.145	7.41%
1983	$0.91		$0.91	19.79%	-4.93%	595,966	-4.23%	594,966	-3.30%	$0.147	8.89%	$0.154	6.21%
1984	$0.87	$0.00	$0.87	-3.49%	-1.00%	599,698	0.63%	593,998	-0.16%	$0.153	4.08%	$0.156	1.30%
1985	$0.92	$0.0106	$0.91	4.40%	-1.20%	594,695	-0.83%	588,095	-0.99%	$0.159	3.92%	$0.167	7.05%
1986	$0.99	$0.0147	$0.97	6.90%	-1.85%	581,933	-2.15%	575,733	-2.10%	$0.162	1.89%	$0.170	1.80%
1987	$1.06	$0.0187	$1.04	6.72%	-1.80%	570,034	-2.04%	567,134	-1.49%	$0.169	4.32%	$0.182	7.06%
1988	$1.154	$0.0246	$1.13	8.54%	-2.27%	557,803	-2.15%	555,603	-2.03%	$0.183	8.28%	$0.185	1.65%
1989	$1.29	$0.0246	$1.27 (1.29)	12.31% (14.1)	-3.20% (-2.72)	537,200 535.7	-3.69%	536,800 535,352	-3.38%	$0.217	18.80%	$0.219	18.59%

**assume 1989 coupon cost=1988 cost

+45.98% -10.42% -9.63%

% chg 84-89

+7.2%/yr -2.08%/yr -1.93%/yr

83	-4.93	-4.23		-3.30	
'85	-1.20	-.83	.69	-.99	83
'86	-1.85	-2.15	1.16	-2.10	114
'87	-1.80	-2.04	1.13	-1.49	83
88	-2.27	-2.15	.95	-2.03	89
	-3.20 540.3	-3.14	1983 avg	-2.94%	92 539.3
or	537.4	-3.66	1.145 highest	-3.65	114 const rate 535.3

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mid 537.4 Scenario industry decline of -3.6% based on relationship of price elasticity to act Ind % decline

5 max 540.3 -3.1% decline

max 539.3 -2.94%

1 min 535.3 -3.6% decline based on relationship of price elasticity to cons tax % decline